

Sample Agency Incentive Award Policy

I. Policy:

This policy establishes uniform guidelines for administering the employee incentive award program in the Department of _____.

II. Procedures:

The incentive award program rewards documented outcomes and achievements approved by agency management for implementation.

Before an incentive award is granted, the following procedures are typically followed:

1. An idea, innovation, suggestion, or prototype is submitted to management.
2. Management approves the idea, suggestion, innovation, or prototype for implementation after determining it will result in cost savings or improvements to agency operations.
3. The new idea, suggestion, innovation, or prototype realizes:
 - a. measureable cost savings,
 - b. achievements or outcomes eliminating or reducing an agency's expenditures, and/or
 - c. improved effectiveness or improved services without increasing the cost of operations.
4. The employee, group or team of employees, or nonemployee is nominated for an incentive award.
5. The agency director or designee grants the incentive award and determines its monetary value.

A. Eligibility

An employee, a group or team of employees, or a non-employee may receive an incentive award. They do not need to be employed by the agency benefiting from the achievement or outcome or granting the incentive award.

B. Nomination Submissions

After the idea, suggestion, or prototype has been approved and implemented by management, incentive award nominations may be submitted. Nominations may come from current agency employees, employees of other state agencies and from non-employees. Nominations for incentive awards are public information and available for review upon request. Requests should be directed to _____.

Nominations for incentive awards may be submitted on the incentive award nomination form or in another written format. The nomination must include:

1. Name, address, email, and telephone number of person(s) submitting the nomination for an incentive award.
2. Name(s) of individual or group or team of employees nominated, if applicable.
3. The date submitted.
4. A description of how the outcome, achievement or savings exceeds normal expectations for the employee, or group or team of employees, or has an impact on the delivery of service to the public or other customer.
5. The dollar value of the documented savings, including the method used to determine the value.

Nomination forms are available on line at _____ or from the _____. Submit nominations to _____.

C. Incentive Award Committee

The incentive award committee is made up of three employees appointed by the agency director. The agency director will appoint an incentive award program coordinator. This person serves as the chairperson of the incentive award committee. Other responsibilities include tracking nominations, promoting the program, notifying submitters of the status of proposals, arranging presentation ceremonies, obtaining monetary awards, publicizing awards to the agency and media, and preparing the annual award report listing the type and amount of awards the agency presented.

D. Nomination Review Process

The committee completes the initial evaluation of the agency's nominations for incentive awards. The committee reviews each nomination received and makes the following non-binding recommendations to the agency director.

1. approval or disapproval of a nomination for an award, and
2. an appropriate recommended monetary or leave award.

The agency director makes the final decision to grant incentive awards. The agency director resolves any and all disputes related to granting incentive awards. If the award is to be divided between two or more people, the agency director determines the amount each person is to receive.

E. Evaluation Criteria

The incentive award committee uses the following criteria to evaluate and prioritize the award nominations:

1. Compare the outcome, accomplishment, or savings to what is normally expected from the employee, group or team of employees through the duties and responsibilities of their positions.
2. Determine if cost savings or cost avoidance results from activities which are highly original or creative involving innovative or novel approaches developed the employee or by members of the group or team.
3. Determine if the results significantly exceed the level of effort or diligence normally expected from the employee's positions.
4. Determine if the results required cooperative work efforts possible only through initiatives of group or team members that go above and beyond what is normally expected through existing work structure or organization.
5. Evaluate the impact of the outcome, accomplishment or savings on delivery of service to the public or other customers.
6. Evaluate the outcome, accomplishment or savings in terms of how directly and to what degree they contribute to the agency's objectives, goals and mission.

Once awards are approved by the agency director, the incentive award program coordinator will process the awards and coordinate the presentation ceremony.

F. Presentation of Awards:

Incentive awards will be presented at least annually at _____ ceremony.

III. Resources:

Employee Incentive Program, Section 2-18-1101-1103, 1105-1107, MCA
Incentive Award Program, Section 2.21.6701-6703, 6708-6709 ARM

IV. Closing:

The Department of _____ will make reasonable accommodations for persons with disabilities who wish to participate in the Incentive Award Program. To request an accommodation, contact _____ at _____ (email), _____ (address), _____ (telephone), _____ (TDD), _____ (fax).

Agency Director Signature and date